

**REAL ESTATE CONTRACTUAL FORMS ADVISORY COMMITTEE  
MINUTES  
MARCH 24, 2009**

**PRESENT:** Michael Gordon, Mary Pangman-Schmitt, Kevin King, Michael Holloway, Scott Minter (was excused **at 12:41 p.m.**), and Richard Hinsman

**EXCUSED:** Casey Clickner, Peter Sveum and Jennifer McGinnity

**STAFF:** Yolanda McGowan, Bureau Director; Peggy Wichmann, Legal Counsel; Nicole Goodman, Bureau Assistant; other Department staff was present during portions of the meeting

**GUESTS:** Anne Blood, MATC – Madison; Cori Lamont, WRA; Rick Russell, Wisconsin Legal Blank; Debbi Conrad, WRA; Kim Moermond, First Weber

**CALL TO ORDER**

Yolanda McGowan, Bureau Director, called the meeting to order at 10:01 a.m. A quorum of 6 members was present.

**ADOPTION OF AGENDA**

**MOTION:** Kevin King moved, seconded by Michael Holloway, to approve the agenda as published. Motion carried unanimously.

**APPROVAL OF MINUTES (JANUARY 21, 2009)**

**MOTION:** Mary Pangman-Schmitt moved, seconded by Kevin King, to approve the minutes of January 21, 2009 as written. Motion carried unanimously.

**ADMINISTRATIVE REPORT**

Yolanda McGowan informed the Committee that Nicole Goodman will be moving to the Office of Education and Examination. She also reported that the Division of Board Services has a new Division Administrator, Gail Sumi and Hector Colon is the new Executive Assistant for the Department.

Yolanda McGowan also reported that the Office of Legal Counsel and the Division of Board Services are merging.

Peggy Wichmann informed the Committee that the Office of Legal Counsel has a vacant Legal Counsel position.

**RECOMMENDATIONS FOR REVISION OF CONTRACTUAL FORMS**

**Review and Revise Draft Residential Offer to Purchase (WB-11)**

## FINANCING CONTINGENCY

- Capitalize the “B” in “Buyer” in the sentence “If buyer is using multiple loan sources or obtaining a construction loan or land contract financing, describe in Additional Provisions or in an addendum.” above “BUYER’S LOAN COMMITMENT”

## SPECIAL ASSESSMENTS

- Change heading to read “SPECIAL ASSESSMENTS/OTHER EXPENSES”
- Change the first sentence to read “Special assessments, if **any**, levied or for work commenced prior to date of this Offer shall be paid by Seller no later than closing.”
- Line 271-272 change the CAUTION to read “CAUTION: Consider a special agreement if area assessments, property owner’s association assessments, special charges for current services under Wis. Stat. §66.0627, or other expenses are **contemplated.**”
- Line 274 change “hookup” to “hookup/connection”
- Line 275 change “Wis. Stat. §66.55(1)(c) & (f)” to “Wis. Stat. §66.0617(1)(f)”

## DELIVERY/RECEIPT

- Move the DELIVERY/RECEIPT section to the end of the DELIVERY OF DOCUMENTS AND WRITTEN NOTICES section
- **Move to WB-41 Notice Form: “Once delivered, a notice cannot be withdrawn by the Party delivering the notice without the consent of the Party receiving the notice.”**
- Peggy and Kevin will discuss language for this section
- Remove “(6) Other...”

## DEFAULT

- Lines 294-295 change to (2) (b) to read “request the return of the earnest money to Buyer and have the option to sue for actual damages.”

## EARNEST MONEY

- **Potential confusion between language in the WB-11 form re Disbursement and RL 18.09. Additional discussion needed.**

## SALE OF BUYER’S PROPERTY CONTINGENCY

- Change heading to read “CLOSING OF BUYER’S PROPERTY CONTINGENCY”
- Change this section to read “This Offer is contingent upon the closing of the sale of Buyer’s property located at \_\_\_, no later than \_\_\_. If Seller accepts a bona fide secondary offer, Seller may give written notice to Buyer of acceptance. If **Buyer** does not deliver to Seller a written waiver of the Closing of Buyer’s Property Contingency and \_\_\_\_\_ **[INSERT OTHER REQUIREMENTS, IF ANY e.g., PAYMENT OF ADDITIONAL EARNEST MONEY, WAIVER OF ALL CONTINGENCIES, OR PROVIDING EVIDENCE OF SALE OR BRIDGE LOAN,)]** within \_\_\_ hours of Buyer’s actual receipt of said notice, this Offer shall be null and void.
- Move “Seller may keep the Property on the market and accept secondary offers after binding acceptance of this Offer” to the BINDING ACCEPTANCE section.

## PRE/POST CLOSING OCCUPANCY

- Delete this section from the form. **Educate/encourage licensees to use appropriate addenda to evidence the parties' occupancy agreement.**

## **OCCUPANCY**

- Replace “(lines 293 through 297)” with “or in an addendum”

The Committee discussed the Inspection Contingency but made no recommendations.

## **INSPECTIONS AND TESTING**

- Michael Gordon provided the Committee with language to replace the recommended inspection access language (**lines 160-162**). The Committee unanimously agreed with “Seller agrees to allow Buyer’s inspectors, testers and appraisers reasonable access to the Property upon advance notice, if necessary to satisfy the contingencies in this Offer.”

## **Review of Other Contractual Forms for Revision**

None.

## **Schedule Future Meeting Dates**

The Committee’s future meeting dates will be May 26 and July 27, 2009.

## **ADJOURNMENT**

**MOTION:** Richard Hinsman moved, seconded by Kevin King, to adjourn the meeting at 12:40 p.m. Motion carried unanimously.